

Federal Disaster Programs - Agriculture

Emergency Conservation Program (ECP)

- Cost-share, administered by USDA Farm Service Agency (FSA)
- Provides emergency funding and technical assistance “to farmers and ranchers to rehabilitate farmland damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought.”
- Payments:
 - Up to 75% of the cost to implement approved restoration practices.
 - Up to 90% if limited resource producers.
 - Limited to \$200,000 per person or legal entity per disaster.
 - Payments made following completion and inspection of the practice.
- Land Eligibility:
 - Commercial farming, ranching, and orchard operations.
 - Growing nursery stock and Christmas tree plantations.
 - Grazing for commercial livestock production.
 - Conservation structures; such as waterways, terraces, diversions and windbreaks.
- Eligible Practices:
 - Debris removal from farmland (cleanup of woody material, sand, rock, and trash on cropland or pastureland).
 - Grading, shaping, or leveling land (filling gullies, releveling irrigated farmland and incorporating sand and silt).
 - Restoring fences (livestock cross fences, boundary fences, cattle gates or wildlife exclusion fence from agricultural land).
 - Restoring conservation structures (waterways, diversion ditches, buried irrigation mainlines, and permanently installed ditching system).
 - Providing emergency water during periods of severe drought (grazing and confined livestock and existing irrigation systems for orchards and vineyards).
- Funding varies from year to year, but most funding is authorized in supplemental appropriations rather than annual appropriations. Funding is normally available until expended.

Emergency Watershed Protection Program (EWP)

- Cost-share, administered by USDA Natural Resources Conservation Service (NRCS)
- Program offers “technical and financial assistance to help local communities relieve imminent threats to life and property caused by floods, fires, windstorms, and other natural disasters that impair a watershed.”
- Does not have to have a declared disaster designation for program assistance to begin; **however, partial funding must be provided by the state legislature.**
- Payments:
 - Up to 75% of the cost for eligible projects
 - Local sponsors must acquire the other 25% in cash or in-kind services

- Eligibility:
 - Must begin with a sponsor – cities, counties, towns, conservation districts, etc.
 - Private, state, tribal and federal lands.
- EWP Program – Recovery can:
 - Remove debris from stream channels, road culverts, and bridges
 - Reshape and protect eroded streambanks
 - Correct damaged or destroyed drainage facilities
 - Establish vegetative cover on critically eroding lands
 - Repair levees and structures
 - Repair conservation practices
- Option to purchase EWP Floodplain Easements instead if it's more cost-effective than recovery.
- Funding varies from year to year, but most funding is authorized in supplemental appropriations rather than annual appropriations. Funding is normally available until expended.

2017 Wildfires and Hurricane Indemnity Program (WHIP)

- **ADHOC Program used for western US fires and Hurricane Harvey; a similar program is needed for North and South Carolina for 2018.**
- Payments, administered by USDA Farm Service Agency (FSA)
- Up to \$2.36 billion made available for disaster payments to agricultural producers to offset losses from hurricanes and wildfires. Direct payments available to reimburse citrus growers for losses in 2018 via a grant to Florida.
- Eligibility:
 - Hurricane recovery funds available for hurricane losses and related conditions like excessive rain and flooding.
 - Available in counties that received a qualifying Presidential Emergency Disaster Declaration or Secretarial Disaster Declaration, and only for losses caused by a 2017 hurricane.
 - Alabama, Florida, Georgia, Louisiana, Mississippi, Puerto Rico, South Carolina, Texas and the Virgin Islands – other counties may be eligible if they can prove the loss was caused by a 2017 hurricane.
- 2017 WHIP covers:
 - Both the loss of the crop, tree, bush, or vine as well as the loss in production.
 - Cost-share assistance to replant and rehabilitate trees on the same area.
 - Both insured and uninsured producers.
- Payments:
 - Compensation determined based on a producer's individual losses rather than average losses.
 - \$125,000 payment limit; but a producer can receive a higher payment if ¾ or more of their income is derived from farming or another agricultural-based business.

- Producers who derived 75% of their income in tax year 2013, 2014 and 2015 will be subject to a \$900,000 payment limitation.
- All producers receiving 2017 WHIP payments are required to purchase risk management coverage - either crop insurance or Noninsured Crop Disaster Assistance (NAP) coverage for the next two years.
- Will require an appropriation by Congress.

Livestock Indemnity Program (LIP)

- Payment, administered by USDA Farm Service Agency (FSA).
- Provides payments to livestock owners and contract growers for livestock deaths in excess of normal mortality caused by an eligible loss condition (adverse weather, disease). Payments may also be made when the animal is injured as a direct result of an eligible loss condition but does not die and is sold at a reduced price.
- Payment:
 - Rate is equal to 75% of the average fair market value of the deceased animal type (USDA publishes rates for each type each year).
 - For contract growers, the rate is based on 75% of the national average input costs for the applicable livestock.
 - No payment limit.
- Eligibility:
 - Beef and dairy cattle; bison; hogs; chickens; ducks; geese; turkeys; sheep; goats; alpacas; deer; elk; emu; llamas; reindeer; caribou; equine
 - Livestock must have been maintained for commercial use.
 - Excludes wild free-roaming animals, pets, and animals used for recreational purposes.
 - Poultry and swine are the only eligible livestock for contract growers.
 - Producer's AGI cannot exceed \$900,000.
- *Permanently authorized and funded program that receives "such sums as necessary" via the Commodity Credit Corporation.*

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP)

- Payment, administered by USDA Farm Service Agency (FSA).
- Provides payments to producers of livestock, honey bees, and farm-raised fish for losses due to disease, adverse weather, feed or water shortages, or other conditions (like wildfires) that are not covered under LIP.
- Payments:
 - Limit of \$125,000.
 - Producer's AGI cannot exceed \$900,000.
- *Permanently authorized and funded program that receives "such sums as necessary" via the Commodity Credit Corporation.*

Other Programs

- Federal Crop Insurance

- Noninsured Crop Disaster Assistance Program (NAP) – producer pays a fee prior to planting
- Tree Assistance Program (TAP)
- Livestock Forage Disaster Program (LFP) – drought/wildfires
- Emergency Disaster Loans

Section 32 and Commodity Credit Corporation (CCC) Authority

- USDA has discretionary authority to distribute emergency payments to farmers with Section 32 and Commodity Credit Corporation funds.
- Section 32 is Section 32 of the Agricultural Adjustment Act Amendment of 1935 – section 3 provides that funds shall be used to re-establish farmers' purchasing power by making payments in connections with the normal production.
- CCC, Section 5 of the Charter Act, authorizes CCC to support the prices of agricultural commodities (except tobacco) through loans, purchases, payments and other operations. *Recently used for the trade mitigation programs.*

Community Development Block Grant Program as Disaster Recovery (CDBG-DR)

- HUD flexible grants to help cities, counties and States recover from Presidentially declared disasters, especially in low-income areas.
- Money sent to the State – flows through the Department of Commerce.
- State develops a disaster recovery program that utilizes these funds.
- Eligible activities:
 - Buying damaged properties in a flood plain and relocating residents to safer areas.
 - Relocation payments for people and businesses displaced by the disaster.
 - Debris removal not covered by FEMA.
 - Rehabilitation of homes and buildings damaged by the disaster.
 - Code enforcement.
 - Homeownership activities such as down payment assistance, interest rate subsidies and loan guarantees for disaster victims.
 - Public services.
 - Helping businesses retain or create jobs in disaster impacted areas.
 - Planning and administration costs (limited to no more than 20 percent of the grant).
- Eligible governments must develop and submit an Action Plan for Disaster Recovery before receiving CDBG-DR funds. (NC turned one in November 2017)

Timeline

- Federal ag-related request – November or December.
- Current CR (if signed by the President) – funds government through December 7th.